

**ASSEMBLY BILL**

**No. 1486**

**Introduced by Assembly Member Wyland**

February 22, 2005

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An act relating to employment.

LEGISLATIVE COUNSEL'S DIGEST

AB 1486, as introduced, Wyland. Professional employer organizations.

Existing law, the Employment Agency, Employment Counseling, and Job Listing Services Act, regulates employment agencies, employment counseling services, and job listing services, as defined, but expressly excludes any person who provides any of these services and charges fees exclusively to employers for those services. Existing law does not regulate human resource management businesses.

This bill would make findings and declarations concerning professional employer organizations, including declaring the intent of the Legislature that professional employer organizations be properly recognized and regulated, as specified.

Vote: majority. Appropriation: no. Fiscal committee: no.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. The Legislature hereby finds and declares all of
- 2 the following:
- 3 (a) Professional employer organizations provide a valuable
- 4 service to commerce and the citizens of California by increasing
- 5 the opportunities of employers to develop cost-effective methods
- 6 of satisfying their personnel requirements and providing

1 employees with access to certain employment benefits that might  
2 not otherwise be available to them.

3 (b) It is the intent of the Legislature that professional employer  
4 organizations operating in California be properly recognized and  
5 regulated by the state.

6 (c) Any allocation of employer duties and responsibilities  
7 pursuant to this act shall preserve all rights to which covered  
8 employees would be entitled under a traditional employment  
9 relationship.